



FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case References	: MAN/00BN/LDC/2024/0001
Property	: Medlock Place, 30 City Road East, Manchester M15 4TD
Applicant	: Samnas Limited
Respondents	: The residential long leaseholders of the 22 apartments at the Property
Type of Application	: Landlord & Tenant Act 1985 – Section 20ZA
Tribunal Members	: Judge A Davies S Kendall MRICS
Date of Decision	: 23 July 2025

DECISION

1. Subject to compliance with paragraph 3 below, the consultation requirements contained at section 20 of the Landlord and Tenant Act 1985 are dispensed with in relation to the replacement of water pumps at Medlock Place by Rescom Ltd in or about 2023.
2. The Applicant's costs of this application may not be recovered from the Respondents via the service charge provisions of their leases or otherwise.
3. Administration costs of £528 and the tribunal application fee of £100 shall be repaid by the Applicant into the Respondents' building reserve fund.

REASONS

1. The Applicant is the owner of Medlock Place, an 8 storey block of 22 residential flats in Manchester. The managing agents in 2022 were Residential Management Group ("RMG"), which it appears had recently taken over management from another company. The hand-over accounts were being finalised. RMG made this application on behalf of Samnas Limited
2. On 17 March 2022 RMG was informed that there were problems with the water supply to the flats in the building. RMG obtained a report from their usual maintenance contractor Rescom, and a quotation for replacement of the pumps and control panel from Rescom and a second contractor, PB Services Ltd. Rescom's quotation was lower and they were contracted to carry out the work at the price of £18,616.50 plus VAT. The cost to each leaseholder would be just over £1,000.

The Law

3. Section 20 of the Landlord and Tenant Act 1985 ("the Act") and regulations made under that section set out a detailed consultation procedure to be followed by property managers who intend to carry out work in relation to which any leaseholder may be expected to have to contribute more than £250 to the cost. If the consultation procedure is not followed, each leaseholder's contribution to the cost is limited to £250. The consultation procedure for qualifying works is set out at Schedule 1 to the Service Charges (Consultation Requirements)(England) Regulations 2003 ("the Consultation Regulations").
4. Section 20ZA of the Act permits a manager to apply to the Tribunal for dispensation from the consultation requirement. The leading case on the application of section 20ZA is *Daejan Investments v Benson* [2013] UKSC 14, in which Lord Neuberger, in summary, said that the tribunal should focus on the extent, if any, to which the tenants were prejudiced in either paying for inappropriate works or paying more than would be appropriate as a result of the failure by the landlord to comply with the regulations. He described such prejudice (at paragraph 65 of his judgement) as a disadvantage "*which they would not have suffered if the requirements had been fully complied with, but which they will suffer if an unconditional dispensation were granted*". It is for the leaseholders to show that they have been prejudiced, and it "*does not appear onerous to suggest that the tenants have an obligation to identify what they would have said [by way of representations in response to a section 20 consultation], given that*

their complaint is that they have been deprived of the opportunity to say it" (at paragraph 69 of the judgement).

The application

5. In January 2024 the Applicant applied to this Tribunal for dispensation from the section 20 consultation requirements in respect of the replacement of the water pumps and control panel. There was some delay in listing the application due to difficulties relating to (a) identification of the application fee and (b) compliance with Rule 14: written confirmation from the Applicant that RMG were authorised to act on its behalf. This was eventually supplied to the tribunal in April 2025.
6. The application form submitted by RMG stated that after they became aware of the water supply problems in March 2022 the managing agents had not had time to carry out a consultation in compliance with section 20 of the Act in view of the risk that the water supply might fail completely and the possibility of health hazards meanwhile. RMG stated that despite the urgency and their consequent inability to consult in full, an explanatory letter had been sent to the residents and RMG had attended a meeting with them.
7. The application was dealt with by the tribunal without a hearing, on the basis of papers submitted. The papers included more information and supporting documents from RMG, and a letter of objection to the application from Medlock Place RTM on behalf of the Respondents.
8. RGM's supporting documents suggest a history somewhat different to that suggested by the application form. Following notice (17 March 2022) that there were problems with the water supply, Rescom investigated on 22 April 2022 and reported "*Unit found to be in a poor condition and in need of replacing. Pumps 1 & 2 faulty, panel faulty and flexible couplings showing signs of wear.*" Rescom provided its quotation on 28 April 2022. On 20 July 2022 RGM held a meeting with the residents to discuss this and other issues at the property. The minutes suggest that RGM were then told of the raised water temperature. It was agreed that a section 20ZA application was to be made "*given the urgency of this matter.*"
9. PB Services' quotation was obtained on 4 August 2022. The letter to the Respondents referred to in the application was sent on 12 August 2022 and enclosed a service charge invoice requesting, in addition to the expected annual service charge, a payment of £1,080.45 to be paid into the Reserve Fund to cover Rescom's invoice once the work was done. Also enclosed was a document dated 11 August 2022 which was stated to be the first consultation notice required by the Consultation Regulations. Contrary to

paragraph 1(2)(e)(iii) of those regulations the notice did not specify the date by which any written observations had to be sent.

10. The tribunal has not been told when the work was carried out, but a letter sent by RGM to the Respondents on 19 January 2023 purporting to enclose the second notice required by the Consultation Regulations suggests that the pumps had not been replaced by that date. There does not seem to have been any urgency. Consultation appears to have been attempted, but it failed to comply fully with the regulations.

The objection

11. Medlock Place RTM objected to the application in an email to the tribunal dated 1 May 2025. The objection states -
 - that the water pumps were replaced towards the end of 2022 and the work was paid for from the building reserve fund;
 - RGM recovered £528 from the reserve fund for administration and postage costs relating to section 20 consultation for the work “but no section 20 consultation took place”;
 - £100 was taken from the reserve fund to pay the tribunal’s application fee;
 - that the application “has only been progressed to cover [RGM’s] administrative errors”.
12. In response to the objection, RGM says that £528 represented the cost of 44 letters to the Respondents and management time on the section 20 issue.

Decision

13. RGM attempted but failed correctly to carry out a section 20 consultation. The process of identifying the need for replacement pumps and having the work carried out was not undertaken by RGM with particular urgency, although no doubt there was some risk that the water supply would fail meanwhile.
14. Medlock Place RTM’s objections do not suggest that the Respondents have suffered any financial or other loss as a result of the failure to consult. The company does not suggest that any Respondent made representations to RGM following receipt of the (defective) first stage consultation notice dated 12 August 2022.
15. Medlock Place RTM, which it appears has now taken over management of the building, has raised service charge account issues which, if not resolved, may be the subject of an application under section 27A of the Act. In dealing with the present application, the tribunal is only concerned to assess

whether the failure to consult has prejudiced any Respondent and if not, to determine whether dispensation should be granted.

16. The tribunal concludes from the documents supplied that dispensation has been sought not because there was no time in which to consult the Respondents, but because RGM took the view that it had not consulted in compliance with the Consultation Regulations. In the circumstances it is not appropriate for the Respondents to pay the costs of the 2 consultation letters which were sent out or to pay the fee for the present application. RGM is therefore to repay to the Respondents' building reserve fund a total of £628 as a condition precedent to dispensation taking effect.